



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII



98-295 CD1

No. 98-295, CD1

RESOLUTION

AUTHORIZING THE DIRECTOR OF BUDGET AND FISCAL SERVICES TO INVEST IN SHORT TERM INVESTMENTS OF CITY MONEYS IN EXCESS OF THE AMOUNTS NECESSARY FOR THE MEETING OF IMMEDIATE REQUIREMENTS.

WHEREAS, there is a need to supersede City Council Resolution No. 238, dated March 12, 1974, relating to investment of City moneys in excess of the amounts necessary for meeting immediate requirements; and

WHEREAS, it is desirable to provide the Director of Budget and Fiscal Services (formerly called the Director of Finance) latitude for exercise of discretion to obtain maximum return in the investment of City moneys which are deemed to be in excess of the amounts necessary for the meeting of immediate requirements; and

WHEREAS, under the provisions of Section 46-50, H.R.S., the Director of Budget and Fiscal Services may, with the approval of the City Council, invest any City moneys which are in excess of the amounts necessary for the meeting of immediate requirements in:

- (1) Bonds or interest-bearing notes or obligations of the county, of the State, of the United States, of agencies of the United States, for which the full faith and credit of the United States are pledged for the payment of principal and interest;
- (2) Federal land bank bonds;
- (3) Joint stock farm loan bonds;
- (4) Federal Home Loan Bank notes and bonds;
- (5) Federal Home Loan Mortgage Corporation bonds;
- (6) Federal National Mortgage Association notes and bonds;
- (7) Securities of a mutual fund whose portfolio is limited to bonds or securities issued or guaranteed by the United States or an agency thereof;
- (8) Repurchase agreements fully collateralized by any such bonds or securities;
- (9) Bank savings accounts;

B



RESOLUTION

- (10) Time certificates of deposit;
- (11) Certificates of deposit open account;
- (12) Bonds of any improvement district of any county of the State;
- (13) Bank, savings and loan association, and financial services loan company repurchase agreements;
- (14) Student loan resource securities including: student loan auction rate securities, student loan asset-backed notes, student loan program revenue notes and bonds, and securities issued pursuant to Rule 144A of the Securities Act of 1933, including any private placement issues, issued with either bond insurance or overcollateralization guaranteed by the United States Department of Education, provided all insurers maintain a triple-A rating by Standard & Poors, Moody's, Duff & Phelps, Fitch, or any other major national securities rating agency;

provided the investments are due to mature not more than five years from the date of investment; and

WHEREAS, the City Council deems it in the best public interest that City moneys that are to be invested in bank savings accounts, or in time certificates of deposit, or in certificates of deposit open account should be invested with banks located within the State; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu:

1. That Resolution No. 238, adopted March 12, 1974, is hereby superseded; and
2. That the Director of Budget and Fiscal Services of the City and County of Honolulu be and is hereby authorized to invest, at his discretion, in any security or investment as authorized by Section 46-50, H.R.S., City moneys deemed to be in excess of the amount necessary for the meeting of immediate requirements, except that he shall request and receive the approval of the City Council before investing in bank savings accounts, or in time certificates of deposit, or in certificates of



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 98-295, CD1

RESOLUTION

deposit open account if such investments are not made with banks located within the State; and

3. That the said Director of Budget and Fiscal Services be and is hereby further authorized to deposit any interest income derived from investments made pursuant to the said Section 46-50 into the General Fund of the said City and County of Honolulu, except as otherwise provided by law, or by ordinance or resolution providing for the issuance of and security for bonds of the City;

and

RESOLUTION

BE IT FINALLY RESOLVED by the Council of the City and County of Honolulu that the Clerk be and is directed to transmit a copy of this resolution to Mr. Roy K. Amemiya, Jr., Director of Budget and Fiscal Services.

INTRODUCED BY:

Mufi Hannemann (BR)

Councilmembers

DATE OF INTRODUCTION:

October 21, 1998
Honolulu, Hawaii

(OCS/111698/ct)

- 4 -

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

I hereby certify that the foregoing RESOLUTION was adopted by the COUNCIL OF THE CITY AND COUNTY OF HONOLULU on the date and by the vote indicated to the right.

ATTEST:

Genevieve G. Wong
GENEVIEVE G. WONG
City Clerk

Mufi Hannemann
MUFİ HANNEMANN
CHAIR AND PRESIDING OFFICER

Dated 12/2/98

ADOPTED MEETING HELD			
12/2/98			
	AYE	NO	A/E
BAINUM	X		
DeSOTO	X		
FELIX	X		
HOLMES	X		
KIM	X		
MANSHO	X		
MIRIKITANI	X		
YOSHIMURA	X		
HANNEMANN	X		
	9	0	0

Reference:

Report No. B-622

Resolution No.

98-295, CD1